



The Accelerating Cardiology Outpatient Migration

Impact on Hospitals, Physicians, and ASCs



med**hq**⁺

Avanza⁺

A New Era for Cardiology

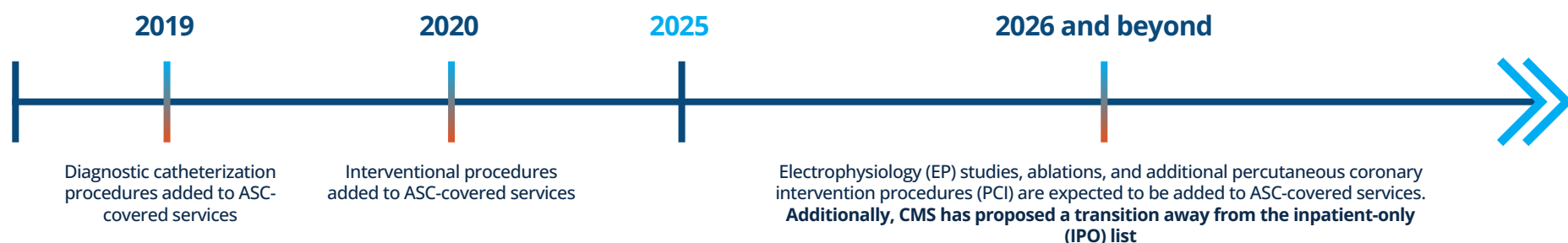
Cardiology is in a period of rapid transformation as procedures migrate from the hospital setting. What was once the exclusive domain of hospital-based care is steadily shifting into ambulatory surgery centers (ASCs) that promise greater efficiency, lower costs, and more patient convenience. Advances in anesthesia, expanding clinical evidence, and regulatory momentum are accelerating the shift, while payers increasingly favor sites of service that deliver quality at reduced expense. At the same time, patients are becoming more aware of their options and are seeking care in settings that balance safety with accessibility.

Developed by the outpatient advisory and administrative solution experts at **Avanza Strategies** and its parent company, **MedHQ**, this white paper equips hospitals, physicians, and ASC leaders with the insights and actions required to respond effectively.

Migration of cardiology out of hospitals and into ASCs is actively reshaping the delivery and economics of cardiovascular care. For hospitals, it threatens traditional revenue streams and physician alignment. For cardiologists, it creates new decisions about practice structure, independence, and growth. For surgery center owners, it brings both a major opportunity and a need to prepare for new clinical and operational complexities.



The Current State of Cardiology in ASCs



Cardiology is at an inflection point in its outpatient journey. While cardiovascular procedures have long been performed in hospital outpatient departments (HOPDs), a turning point came in 2019 when CMS added diagnostic catheterization procedures to the list of ASC-covered services through its final payment rule. This was followed in 2020 by the inclusion of interventional procedures, expanding the range of cardiovascular care available in ASCs. Looking ahead, the proposed 2026 rule includes electrophysiology (EP) studies, ablations, and additional percutaneous coronary intervention (PCI) procedures as potential additions to the ASC Covered Procedures List (ASC-CPL). At the same time, CMS has proposed a transition away from the inpatient-only (IPO) list, a move that would further accelerate outpatient and surgery center migration.

This regulatory momentum is supported by leading organizations such as the Heart Rhythm Society (HRS) and the American College of Cardiology (ACC), which have endorsed ASC coverage of cardiovascular CPT codes, including cardiac ablation services. A growing body of clinical evidence also demonstrates that a widening range of cardiology procedures can be delivered safely in ASCs.

The trajectory resembles what has already taken place in specialties like orthopedics, where total joint replacements shifted quickly from hospitals to surgery centers. That change disrupted hospital revenue models, reshaped physician alignment, and fueled ASC expansion. Cardiology is on a similar path, with the “writing on the wall” for procedures once considered hospital-only.

As a result, stakeholders across the cardiovascular ecosystem need to prepare. Hospitals must assess which procedures are likely to remain within their walls and which are migrating to ASCs. Cardiologists must evaluate opportunities for surgery center involvement. ASC leaders must weigh the requirements and rewards of adding cardiovascular service lines. The transition is already underway, and proactive strategies will determine who leads and who lags.

Hospitals: What to Know and Do

For hospitals and health systems, the outpatient migration of cardiology services represents both a financial threat and a strategic opportunity. Cardiovascular care has long been a cornerstone of hospital service lines, providing not only direct procedural revenue but also downstream admissions, diagnostics, and ancillary services. As more procedures move to ASCs, hospitals risk losing both procedural volume and physician alignment if they do not take deliberate steps.

Understanding the Shifting Mix of Procedures

The first priority for hospitals is to analyze their cardiovascular procedure mix and identify what is likely to remain inpatient, what is already transitioning to HOPDs and ASCs, and what could soon migrate out of acute care. High-acuity interventions, patients with complex comorbidities, and cases requiring extended monitoring are likely to stay inpatient for the foreseeable future. However, diagnostic catheterizations, a growing array of interventional procedures — and, depending on CMS's 2026 rulemaking, EP studies, ablations, and more PCI procedures — are increasingly shifting to the ASC setting.

Total joint replacements, which were almost exclusively inpatient procedures, are now a staple of ASC growth and a diminished revenue driver for hospitals. Cardiology is set for a comparable trajectory, only faster, given regulatory momentum and technological advances.

What are the **Risks** of Failing to Adapt?

Hospitals that do not adjust to this shift face a dual loss. First, they will experience revenue erosion as more procedures move into outpatient environments, particularly those outside of their control. Second, they risk physician disaffiliation as cardiologists seek opportunities in independent or joint-venture ASCs that offer autonomy, equity, and procedural flexibility. Losing cardiologists to independent ASCs has cascading consequences: hospitals not only forfeit outpatient procedures but also jeopardize their ability to capture more complex inpatient cases. If physicians shift their allegiance elsewhere, hospitals risk losing both sides of the cardiovascular spectrum.



Strategic Imperatives

Develop a comprehensive ASC strategy

Hospitals can no longer treat surgery center migration as an incremental issue. Leadership teams must evaluate whether to build wholly owned ASCs, pursue joint ventures with cardiology groups, or align with existing multispecialty centers. Joint ventures, in particular, can strike the right balance, giving physicians ownership and autonomy while keeping them clinically aligned with the hospital. A well-crafted ASC strategy ensures hospitals remain active participants in all aspects of outpatient cardiology rather than passive bystanders.

Reimagine the cardiovascular service line

Hospitals should stop viewing migration to ASCs as pure loss and instead treat cardiovascular care as a continuum of services across settings. This requires creating integrated care pathways that move patients fluidly between inpatient, HOPD, and ASC environments depending on acuity. Positioning the hospital as the hub of coordination ensures it remains essential in a system increasingly spread across multiple sites of care.

Retain physician privileges and alignment

Cardiologists remain the gatekeepers of both hospital and ASC procedures. Maintaining their privileges, loyalty, and engagement is critical. Even as cases migrate outward to surgery centers, hospitals should provide cardiologists with access to advanced facilities, cutting-edge technology, and robust inpatient pathways. A strong partnership model reduces the risk of cardiologists severing ties completely and seeking opportunities elsewhere, which could imperil both outpatient and inpatient volumes.



Hospitals should stop viewing migration to ASCs as pure loss and instead **treat cardiovascular care as a continuum of services across settings.**



Strategic Imperatives (Cont.)

Leverage lessons from orthopedics

Orthopedics offers a clear precedent. Hospitals that resisted its migration to ASCs saw volumes and physician loyalty decline quickly. Those that embraced partnerships with surgeons and invested in outpatient strategies that included surgery centers retained market share and often strengthened relationships. Cardiology leaders should heed this lesson. Early adopters who move toward partnership will preserve influence and protect revenue streams.

Differentiate through complex and advanced care

Hospitals will remain the necessary setting for the highest-acuity and most complex cardiovascular procedures. By investing in hybrid ORs, multidisciplinary cardiovascular programs, and advanced technologies, hospitals can solidify their role as the indispensable partner for cases that exceed ASC capabilities. Differentiation is not only a clinical imperative but also a business strategy, ensuring the hospital's continued relevance in a shifting landscape.

The Bottom Line for Hospitals

Hospitals that cling to legacy models will see both their financial stability and clinical influence erode.

The organizations that succeed will be those that act decisively: developing a clear ASC strategy, retaining cardiologist alignment, integrating outpatient and inpatient care, and investing in differentiation. By embracing change rather than resisting it, hospitals can remain at the center of cardiovascular care even as procedures migrate outward.



Physicians: What to Know and Do

Cardiologists are at the center of the outpatient and ASC migration trend. They stand to be the most directly impacted by changes in where procedures are performed, how they are reimbursed, and what kinds of partnerships shape their professional future. For many, this is not just a shift in site of service but a fundamental decision point about career trajectory, financial independence, and long-term alignment.

» Evaluating the Options

Physicians today have more choices than ever in how to structure their practice. Independent cardiology groups can establish dedicated cardiovascular ASCs or hybrid facilities that combine an office-based lab with an ASC, offering maximum autonomy and ownership income but requiring significant capital and operational sophistication. Hospitals are actively seeking joint ventures to preserve alignment and share outpatient growth, giving physicians stability and access to infrastructure but often limiting independence. **Multispecialty ASCs are starting to add cardiovascular service lines, giving cardiologists quicker access to the surgery center space but sometimes at the cost of influence in governance.**

» Weighing the Pros and Cons

Each pathway carries trade-offs. Independent ASC ownership offers full control but comes with financial and administrative burdens. Hospital partnerships reduce risk and ensure referral continuity but may constrain decision-making. Multispecialty ASCs open doors without starting from scratch but can create competing priorities with other specialties. **The best choice depends on each physician's goals, appetite for risk, and long-term view of practice sustainability.**

The Market Environment

Regulatory changes are accelerating the ASC opportunity. With CMS steadily expanding the ASC-CPL and considering the addition of EP studies, ablations, and additional PCI procedures by 2026, the breadth of cardiology procedures that can be performed in surgery centers will continue to grow. Commercial payers typically follow CMS's lead, and professional societies such as the American College of Cardiology, Heart Rhythm Society, and Ambulatory Surgery Center Association (ASCA) are advocating for expanded coverage. Patient preference for convenient, lower-cost care further strengthens the case. Early movers will be positioned to shape partnerships and governance. Those who wait risk being boxed out of favorable arrangements or facing oversaturation in their markets.

Early movers gain influence in shaping partnerships and governance. **Late adopters risk oversaturation and unfavorable arrangements.**

Practice-Level Impacts

Outpatient migration also affects how cardiologists practice day to day. Shifting cases to ASCs can change compensation models, particularly for employed physicians whose contracts may not fully account for migration. Patient throughput often increases in surgery centers, enabling physicians to perform more procedures in less time. At the same time, diversification across inpatient and outpatient environments can make practices more resilient to policy changes and reimbursement pressures. The result is not just financial change, but a redefinition of professional workflow, stability, and career sustainability.

Diversification across inpatient and outpatient environments can make practices **more resilient.**

Strategic Imperatives

Evaluate practice pathways deliberately

Cardiologists should assess independent ASC ownership, hospital joint ventures, and multispecialty ASC participation with a structured lens. The right path will depend on each group's size, capital position, and appetite for operational responsibility. Physicians should also factor in market saturation, referral streams, and long-term alignment opportunities. Choosing a pathway without careful analysis risks locking the practice into an unsustainable model.

Understand financial implications in depth

Cardiologists must model the economics of shifting cases to ASCs, both independently and in partnership structures. That includes startup capital, payer negotiations, operating costs, and expected case volumes. Employed physicians should examine how migration affects compensation models and renegotiate where necessary. Groups that understand the financial realities are better positioned to structure deals that balance opportunity with sustainability.

Map case mix against ASC readiness

Not all procedures migrate at once. **Physicians should identify which procedures can be safely and profitably shifted to ASCs today**, and which are likely to move after CMS's 2026 — and future — rulemaking. Building a phased plan for migration ensures that cardiologists are ready to act when regulations open new doors, rather than scrambling to adapt after competitors have moved ahead.



A strong partnership model reduces the risk of cardiologists severing ties completely and seeking opportunities elsewhere.



Strategic Imperatives (Cont.)

Physicians: What to Know and Do

Pursue partnerships proactively

Early engagement is critical. **Cardiologists who initiate discussions with hospitals, ASC operators, or fellow physician groups will have more leverage in shaping governance, deal terms, and referral structures.**

Physicians should also consider forming partnerships with third-party vendors that can provide access to expert specialized services, such as advisory, revenue cycle management, and human resources, to strengthen operations and decision-making while freeing cardiologists to focus more on clinical care.

Build long-term career resilience

ASC migration should be approached as an investment in the future, not a short-term revenue play. By participating in or owning outpatient capacity, physicians gain efficiency, flexibility, and more control over their schedules. They also diversify their practice base, making themselves less vulnerable to reimbursement cuts or policy swings. A forward-looking strategy ensures not only financial gains but also professional autonomy and long-term stability.

The Bottom Line for Physicians

Physicians who passively wait for the trend to unfold risk losing both influence and opportunity.

Those who take deliberate steps — evaluating practice pathways, mapping procedures, understanding the economics, pursuing partnerships, and investing in long-term resilience — will not only adapt but thrive in the evolving cardiovascular landscape.



ASCs: What to Know and Do

For ASCs, cardiology represents one of the most significant growth opportunities in years. The specialty has historically been concentrated in hospitals, but with CMS steadily expanding the ASC-CPL and commercial payers following suit, the door is opening for cardiovascular procedures to fuel the next wave of ASC expansion. Leaders who understand both the promise and the challenges will be best positioned to capture market share.

Growth Opportunities

- ⧗ **New revenue stream**
 - Diagnostics, interventions, and soon EP studies, ablations, and more PCI procedure shifting to ASCs.
- ⧗ **Acceleration for existing ASCs**
 - Single-specialty and hybrid centers can rapidly expand case volume.
- ⧗ **Diversification**
 - Multispecialty ASCs can add cardiology to broaden services and capture growth.
- ⧗ **Strategic option for all**
 - Even centers without current cardiovascular services should evaluate entry.
- ⧗ **Payer support & patient demand**
 - Strong reimbursement momentum and preference for lower-cost care.

Operational Challenges

- ⧘ **High capital needs**
 - Significant investment in catheterization labs, imaging equipment, and specialized infrastructure.
- ⧘ **Specialized staffing**
 - Recruiting and training cardiovascular teams is essential.
- ⧘ **Clinical protocols**
 - Must establish processes for complications and hospital transfers.
- ⧘ **Regulatory barriers**
 - State licensure and certificate-of-need (CON) requirements may limit expansion.

Strategic Imperatives

Evaluate feasibility and readiness

Centers must conduct a rigorous feasibility assessment before adding cardiology. This includes financial modeling for capital investment, staffing, and reimbursement projections, as well as operational readiness reviews to ensure emergency transfer protocols, patient safety systems, and compliance requirements are met. Skipping this due diligence risks overextending resources and damaging reputation.

Anticipate and plan for payer shifts

ASC leaders must stay ahead of regulatory and reimbursement changes. Tracking CMS rulemaking and commercial payer coverage decisions allows centers to prepare capacity and resources before demand spikes. Early readiness ensures that when new procedures are approved for the ASC, surgery centers are positioned to capture volume immediately.

Engage cardiologists proactively

Securing cardiologist alignment is the linchpin of success. Leaders should not wait for physicians to approach them but instead reach out to local cardiology groups to initiate discussions about partnerships. Offering co-investment opportunities and governance roles can strengthen alignment while ensuring cardiologists feel a sense of ownership in the center's performance.



A strong partnership model reduces the risk of cardiologists severing ties completely and seeking opportunities elsewhere.



Strategic Imperatives (Cont.)

ASCs: What to Know and Do

Scale with intention

For existing cardiovascular ASCs or hybrid facilities, growth should be deliberate and scalable. That may include expanding capacity, adding physicians, or upgrading facilities to handle more complex procedures. Multispecialty ASCs should consider how cardiology fits strategically within their broader service mix. A thoughtful scaling strategy ensures sustainable growth rather than rushed expansion.

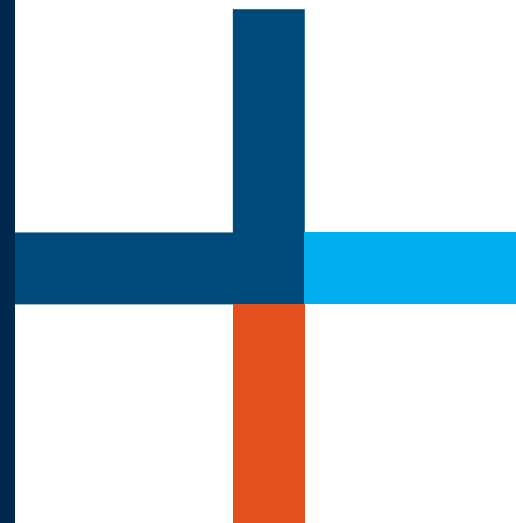
Position for long-term market leadership

The migration of cardiology to ASCs will not be a short-lived opportunity; it is a long-term shift.

Surgery centers that move early and invest wisely will secure durable market advantages, including physician loyalty, payer relationships, and patient trust. Waiting too long risks ceding ground to competitors who are already building capacity and alignment.

The Bottom Line for ASCs

Cardiology is the next major growth engine for ASCs. While it requires more investment, planning, and operational sophistication than many other specialties, the rewards are significant for those who prepare thoughtfully and engage physicians effectively. **ASC leaders who evaluate feasibility carefully, align with cardiologists early, plan for payer shifts, scale strategically, and commit to long-term positioning will capture a disproportionate share of the outpatient cardiology opportunity.**



The Future of Cardiology is Outpatient

Across all stakeholders, the message is clear: **Cardiology's migration from hospitals to ASCs is a structural change, not a passing trend. Success will come to those who plan strategically, build strong partnerships, and invest in new models of care.**

- » For **hospitals**, this means rethinking cardiovascular service lines and investing in ASC strategies that preserve alignment with cardiologists.
- » For **cardiologists**, it is a moment to decide whether to lead or follow — through ownership, partnerships, or participation in multispecialty ASCs.
- » For **ASC owners and operators**, it is an opportunity to diversify and grow, provided they are prepared to manage the specialty's complexities.

Partnering with experts is the most effective way to respond to and capitalize on these outpatient trends, capture opportunities, and position for long-term success. **Avanza** brings an unmatched track record of working with hospitals, health systems, ASCs, and physicians to migrate low-risk inpatient services to outpatient settings, with an emphasis on surgery centers. Its parent company, **MedHQ**, provides scalable administrative infrastructure to support this transition and opportunity, including human resources, accounting, revenue cycle management, and staffing.

Connect with MedHQ today to learn more at
MedHQ.com/contact

medhq⁺

Avanza⁺